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VIA UPS

June 17, 2003

Dr. Jeffrey Runge, Administrator
National Highway Traffic Safety Administration
400 Seventh Street, SW
Washington, DC 20590

EXECUTIVE SECRETARIAT

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NATIONAL HIGHWAY TRAFFIC SAFETY ADMINISTRATION
Porsche Cars North America, Inc.
980 Hammond Drive
Suite 1000
Atlanta, Georgia 30328
(770) 290-3500 Fax: (770) 290-3700

Re: Petition for Reconsideration of the May 5, 2003 Final Rule (68 FR 23614) –
Advanced Airbag Phase-in Requirements for Limited-Line Manufacturers – Docket
No. NHTSA 03-15067 - 3

Dear Dr. Runge,

On behalf of Porsche AG, Porsche Cars North America, Inc. would like to take this opportunity to thank you and your staff for issuing the May 5, 2003 final rule granting limited-line manufacturers additional flexibility during the first two years of the advanced airbag rule. For most of our product offerings, this additional lead-time provides our engineers much needed time to develop and implement reliable technologies needed for compliance with the new requirements. However, for certain very low volume niche models, the September 1, 2005 compliance deadline for limited-line manufacturers will force the production of a certain number of vehicles to be cancelled with a significant impact on our business. As we have previously indicated, small niche vehicle manufacturers should be provided until the end of the phase-in (i.e., Sep. 1, 2006) to come into full compliance with the requirements or at least be given the option to comply via credits. Failure to provide this requested flexibility will cause production to be eliminated at Porsche while niche models built by large multi-line manufacturers are given an extra year to achieve compliance.

For the reasons stated above, Porsche petitions NHTSA to reconsider the statement made on page 23616 of the preamble to the May 5, 2003 final rule concerning the use of credits by limited-line manufacturers relative to the compliance phase-in option that is unique to limited-line manufacturers. We note that there was no actual change to the regulatory text regarding the issue of credits for limited-line manufacturers in the May 5, 2003 notice. Further justification for our request is provided below:

A. Eliminating credits will eliminate niche vehicles from the marketplace –

Approximately 500 cars of Porsche niche models will be eliminated from the U.S. market if credits cannot be used for the final year of the phase-in. The vehicle models that are of concern are very special cars even by Porsche standards and production cannot be advanced prior to September 1, 2005. As these cars are scheduled to be eliminated from production with the 2006 model year, compliance with the advanced airbag requirements has not been intended for these vehicles and lack of compliance flexibility for these vehicles will achieve nothing more than eliminating these few hundred vehicles from the marketplace.

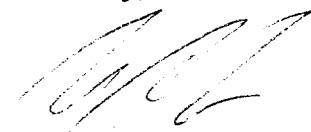
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- B. NHTSA relied on false assumptions in deciding to eliminate credits for limited-line manufacturers** - NHTSA's belief that "*a limited line manufacturer that was able to take advantage of early credits could probably comply with the realized phase-in requirements*" is false in Porsche's case. Under the phase-in schedule for limited-line manufacturers, Porsche can generate a small number of credits by producing a few hundred 2006 model year vehicles prior to Sep. 1, 2005. Like other manufacturers Porsche introduces major technical changes at the start of production of a new model year. For development, production, logistics and marketing reasons, the start of production for a new model year is spread over several months around September 1 of a given calendar year. There is no reason not to allow a few cars to be manufactured before September 1, 2005 to be used for compensating approximately 500 units of model versions which are scheduled to be phased-out between September 1, 2005 and September 1, 2006.
- C. NHT SA's decision to eliminate credits for limited-line manufacturers came without prior notice** - at no time during the advanced airbag rulemaking did NHTSA seek input regarding the implications of eliminating credits for limited-line manufacturers.
- D. Credits have been an element of the compliance concept since the passage of TEA-21** - Without restrictions, TEA-21 (Sec. 7103) plainly stated that manufacturers who produce vehicles in excess of the required phase-in percentage may earn credits. TEA-21 authorized the Secretary to make the final rule fully effective on September 1, 2006 for all vehicles that are manufactured on and after that date without any restrictions.

We ask NHTSA to consider this petition in a favorable manner and to grant our request at your earliest convenience. This will enable Porsche to ensure compliance with the new requirements in a timely fashion while allowing us to phase-out a small number of cars as planned without placing us at a competitive disadvantage.

Should you have any questions, please do not hesitate to contact me directly at (770) 290-3627.

Sincerely,



Walter J. Lewis, Manager
Regulatory Affairs

cc: Mr. Louis Molino, Office of Crashworthiness Standards, via facsimile
Ms. Rebecca MacPherson, Office of the Chief Counsel, via facsimile
NHTSA Docket Management - Docket No. NHTSA 03-15067